implied by financing ; but for us to have been able to do it and at the same time to improvise an army which is now consistently and regularly beating the Germans is an achievement which will inevitably raise the world's opinion of our economic strength, on which financial prestige is ultimately based.

But, as it has been said, in discussing this question we have to look at it all the time from the relative point of view. How will our prestige be when the war is over, not as compared with what it was before the war, but as compared with what any other rival in any other part of the world can show ? Here we have to acknowledge at once, freely and frankly, that, as compared with New York, we shall have gone backward.

America will have been enormously enriched by the war, which we shall certainly have not. America will have been opening up channels of international trade and international finance, and so New York will haVe been gaining at the expense of London.

•It is certain that when the war is over America's dependence upon London for credits against the shipments of goods to and from her shores will have been very greatly lessened, if not altogether a thing of the past.

This change would have happened any way, war or no war, but it has been greatly quickened by the war. Before the war America was already

making
arrangements, under her new banking system, to promote the machinery for acceptance and discount, in order that goods sent to her from foreign countries should be financed by bills drawn on